The Delaware Health Care Commission Meeting

April 5, 2018 - 9 a.m. to 11 a.m.

Meeting Attendance

Present: Theodore W. Becker, Jr.
Dennis Rochford
Richard Heffron
Molly Magarik (for Secretary Walker)
Dr. Kathleen Matt
Dr. Jan Lee
Trinidad Navarro
Dr. Edmondo Robinson

Absent: Secretary Kara Odom Walker, MD
Secretary Josette Manning
Secretary Rick Geisenberger
Chair, Nancy Fan, MD

Facilitator: Ann Kempski (for Dr. Nancy Fan)

Health Care Commission Staff: Ann Kempski, Executive Director
Keanna Faison, Director, Policy & Planning
Kiara Cole, Community Relations Officer (note taker)
La Ronda Moore

Minutes

I. Call to Order

- The Health Care Commission meeting began at approximately 9:00 a.m.

II. Approval of minutes from the March 1, 2018 meeting

- Ann Kempski motioned to approve the meeting minutes.
- Dr. Edmondo Robinson requested clarification on the responsibilities of the Advisory Group that was established by Governor Carney. Molly Magarik provided clarification and read from the Governor's Executive Order. The responsibilities of the spending advisory sub-committee is to advise and the responsibilities of the quality advisory sub-committee is to determine.
- Dr. Jan Lee requested that the minutes be revised regarding public comment.
- Richard Heffron motioned to approve the minutes pending Dr. Edmondo Robinson and Dr. Jan Lee's revisions.
- Dr. Edmondo Robinson seconded the motion. The motion carried, and the March 1, 2018 minutes were approved pending modifications.

III. Policy Development Items

- Benchmark Advisory Committee Process (see PowerPoint deck) – Ann Kempski (DHCC). A final update will be provided to the Commissioners when the Advisory Group meetings are completed.
- Medicaid Value-based Purchasing--Liz Brown, Medical Director, Division of Medicaid and Medical Assistance (DMMA) for Steve Groff (see PowerPoint deck). Dr. Brown presented data on Delaware's Medicaid beneficiaries, history of Medicaid expansion and innovation through contracting with managed care organizations (MCOs). She described DMAA's new approach to incentivize MCOs to enter value-based contracting arrangements with their network providers. Quality metrics will be used to evaluate results.

- **Discussion among Commissioners**
  - **Dr. Edmondo Robinson** – Do you have an idea on how much state spending is split across the three drivers for value-based purchasing (see slide 9)? What is your target for the next three years?
    - **Liz Brown –** The target for the next three to five years is specified in the contracts. The MCO's have flexibility to meet targets through different types of value-based payment arrangements. Delaware's Medicaid is the first move in this direction.
    - **Molly Magarik –** The contracts start date was January 1, 2018. Delaware has two managed care organizations (MCO), Highmark and AmeriHealth Caritas, who are negotiating with providers.
  - **Dr. Edmondo Robinson** – Although Delaware operates under managed care within Medicaid, it's still fee-for-service, correct?
    - **Molly Magarik –** It is a capitated payment to the managed care organizations, but primarily their contracts are fee-for-service with the providers.
    - **Liz Brown –** The MCO's administer the payments and take on the *risk* from the State of Delaware. The **managed care organizations** have targets to establish value-based purchasing contracts with their network providers.
  - **Dr. Edmondo Robinson –** Setting this [value-based payment] at the provider level is where we are going to see change. The levers are at the provider level.
  - **Ted Becker –** For disabilities, are both children and adults included in the data displayed? Or is the data [just] quantifying adults? (see slide 3)
  - **Liz Brown –** Will follow-up with Commissioner Becker.

IV. Commissioner Comment

- **Dr. Edmondo Robinson –** When did the Benchmark become a part of SIM (link has been removed).
  - **Kathleen Nolan –** We have an opportunity to help support the Benchmark activities using the federal SIM dollars. The legislature passed Joint Resolution 7 in Year 3 of SIM grant (Joint Resolution 7). The state is using federal dollars to

gather resources for the Benchmark process. SIM is not sponsoring the Benchmark. It's supporting some assistance to the Benchmark process.

- **Dr. Edmondo Robinson –** At what point was that decision made?
    - **Ann Kempski –** Last year we had conversations with our federal partners, Center for Medicare and Medicaid Innovation (CMMI), around the slow pace we were moving regarding **payment reform**. CMMI supported the Benchmark to accelerate our efforts under our **payment reform** driver. The strategy will allow us to measure our progress and hold ourselves accountable.
    - **Keanna Faison -** Essentially, it's being more efficient with our time and resources.
- **Dr. Jan Lee –** Is SIM funding supporting the Benchmark?
    - **Ann Kempski -** Yes.
- **Dr. Jan Lee –** Then it is a part of SIM.
- **Dr. Edmondo Robinson –** I agree.
- **Dr. Jan Lee –** There may be many good reasons for doing it [paying for the Benchmark with SIM funds].
    - **Molly Magarik –** Last year, our federal partners expressed concern with Delaware's progress, particularly in payment reform. There was money that was *not* spent. We [the State of Delaware] were concerned about getting to the end of the SIM process, and not being as far along as expected on **payment reform**. We made changes at the state-level – we issued RFPs and selected Mercer and HMA. There were discussions with the Delaware Center for Health Innovation (DCHI), the Health Care Commission (HCC), and summits outlined the need for expertise in the form of a consultant. In terms of overall resources that are going to the Benchmark, it is the contract with Mercer and the subcontracts under Mercer that support it.

V. UPDATES: Activities & Initiatives Continued… (see PowerPoint deck)

- **Keanna Faison** provided a SIM update pertaining to Healthy Neighborhoods initiative.
- **Kathleen Nolan** from Health Management Associates presented slides 2-5 regarding Transformation Drivers, Health IT, Payment Reform and Practice Transformation (see PowerPoint deck)
- **Steve Peuquet and Mimi Rayl** from the University of Delaware's Center for Community Research & Service presented slides 14-20 regarding the definition and function of a Community Investment Council.

VI. Commissioner Comment

- **Dr. Edmondo Robinson –** When will we have a solid plan for our approach on SIM sustainability?
    - **Steve Peuquet –** We can do that within the next 3-4 months (see slides 10-20 for framework).
    - **Keanna Faison –** The June 12 Sustainability Summit/Workshop will be where we will confirm the framework. The official framework is due to CMMI in the fall of 2018.
    - **Steve Peuquet –** This approach is a distributed approach which is radically different than anything that has ever been done before within this type of work. We don't want it to become too distributed or we could lose direction and coordination. On the other hand, we want to be distributed enough so that the investors feel that they have reasonable control over the way that they want to making investment decisions.

- **Ted Becker –** I noticed that healthcare is not represented in the list of attendees (see slide 17).
    - **Steve Peuquet –** We try to show breadth of participation. There are healthcare people involved with this work.
- **Ted Becker –** Are you working with county councils? A critical element to get this concept moving is working with the county councils and the Office of Planning. This group would be critical in gaining traction and bringing the right people to the table. As well as Chambers of Commerce.
    - Mr. Peuquet confirmed that planning agencies are key partners.
- **Dean Kathleen Matt -** This is about transforming healthcare in Delaware. Everyone should be brought together. Let's show the path that has gotten us here – from the beginning to end. Including the right people at the table will allow you to integrate all of the moving parts of this work [Healthy Neighborhoods].

VII. UPDATES: Activities & Initiatives Continued… (see PowerPoint deck)

- **Ann Kempski** provided an update regarding the Common Scorecard release and all the measures that it will include. The Common Scorecard is set to be released in May.

VIII. Commissioners Comments

- **Dr. Edmondo Robinson -** Are there any additional reporting burden on providers as a part of this Scorecard?
    - **Ann Kempski –** No. There's no additional burden on the providers. These are measures that health plans are already reporting. Unlike the Scorecard that was developed by DHIN, we are unable to attribute back to a practice. The data we are receiving from NCQA is at the plan level and will be aggregated to the state level. However, the Scorecard will not quite do the same thing as the original scorecard that was developed.
- **Dr. Jan Lee** – We have gotten alignment of measures under the Common Scorecard and that's a real achievement. The progress that has been made so far should not be undervalued. The Common Scorecard is a tool for displaying the performance on those measures. The Common Scorecard began as a common provider scorecard. The intent based on all of the public meetings that we held was that the provider community was looking for a simplified way to get aligned measures and a common way to report on their performance on those measures across all of the payers. We never reached that goal – a part of it is because we keep having goal confusion.
    - **Ann Kempski –** This approach has been very cost reasonable. It will not solve all the different goals that were originally intended. However, it will solve a really important goal which is to put something out in the public domain. We need to know where we are as we move along with the Benchmark process. It is going to be an important milestone to get this data out in the public domain and be able to engage with it to see where we are and how we can improve.
- **Dr. Edmondo Robinson –** I think that Dr. Lee's comments are very important. Measuring plans versus measuring providers are two different things. We could do both. There's data out there that HEDIS measures don't drive outcomes. But that is fine for plans to measure their processes. But, is it really going to get us the outcomes that we are looking for from a health prospective? We've got to drive down that level to the provider – help to change and transform at a provider level and then we've got to measure that transformation. If we're not doing that, we're not being effective.

    - **Ann Kempski –** We will be measuring at the state level and roll up the plan numbers in Delaware and these will be state numbers. This is how we perform as a state on these measures.
- **Dr. Jan Lee –** If you're good, it gives you bragging rights and if you're not good, there's nothing actionable about it because it is not focused precisely enough for anybody to know what we have to do to make measures better.
    - **Ann Kempski –** There is literature out there that says when you put these things out into the public domain that it generates motivation. That's the goal here. This is what we need to do in terms of the stakeholders – the whole state is a stakeholder in this process.
- **Dean Kathleen Matt –** We do this a lot in research, but is there any way for us to measure both for providers and practices? Is there a reason why you cannot gather both sets of data? We can use Delaware as an example – you can use the HEDIS measures as to what Delaware says regarding the plans. There is enormous power in using both of those analyses. Why not take advantage of that?
    - **Ann Kempski –** Yes. That is the plan. Right now, the commercial data that goes into Delaware Health Information Network (DHIN) *only* includes the state employees which is roughly 125,000 lives.

IX. DE INNOVATION (see PowerPoint deck)

- **Cynthia Denemark** provided a presentation on the DE Pharmacy Collaboration Project involving the help of the National Academy for State Health Policy grant (NASHP). The project brings Delaware public and private pharmacy purchasers together to compare formularies on a consensus list of high-impact therapeutic categories. The goal is to attempt to drive greater value for all by aligning formularies.

X. Commissioner Comments

- **Dr. Jan Lee –** Do you have any outcomes yet to show whether or not this [the NASHP grant] has saved money?
- **Cynthia Denemark –** We do not have any outcomes yet. Outcomes are due by the end of this calendar year.
- **Trinidad Navarro –** I would like to talk about Pharmacy Benefit Managers (PBMs) – there are two different sides as to why they are needed and why they are so expensive. PBM's are not regulated. We are working on how we can address PBM's in Delaware. What is your take on PBMs from the time the drug is made to when it is in the pharmacy – along with all of the people who get paid in between? In your opinion, how important are they and should they be regulated?
- **Cynthia Denemark –** The overarching answer to your questions is this – there is a lack of transparency that happens behind the black door of a PBM. One of the NASHP workgroups is looking at what we can do about PBMs. The way we distribute medications today, outside of Medicaid, even indirectly, both of our MCO's work with Pharmacy Benefit Managers. You need to be able to understand the different games that are played so that you're not losing.

XI. PUBLIC COMMENT

- **Joanne Hasse (League of Women Voters) –** Asked a question related to Medicaid beneficiaries. DMMA followed up by email.

- **John Dodd (Sussex County) –** Comment not captured in entirety.

- **Erin Bolder –** Expressed concern about special populations and the need to support them as we transform Delaware's health care system.

XII. ADJOURN

- The next HCC meeting is scheduled for Thursday, May 3, 2018 at 9:00 a.m.
- The April 5, 2018 HCC meeting concluded at approximately 11:00 a.m.

Appendix A
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